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Contra Aid: Loose Law?

Loopholes in Curbs Cited in Debate

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WASHINGTON, Jan. 14 — Some Congressional Democrats and Republicans now acknowledge that the laws they drafted restricting aid to the Nicaraguan rebels last year were so loosely written that they offered the Reagan Administration many opportunities to test their legal limits and to find loopholes.

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But the legislators insist that it should have been clear to the White House that direct or indirect military assistance to the rebels, known as contras, was prohibited. They say senior officials repeatedly assured Congress that the Administration understood this and would respect the letter and spirit of the restrictions.

The potential ambiguity of the Congressional restrictions is an important part of the background to the recent disclosures showing widespread Administration connections to the private network supplying military aid to the contras. These laws, and what they allowed, will be at the center of investigations by two Congressional committees and Lawrence E. Walsh, the independent counsel named in the case.

While Administration officials are not defending the diversion of profits from the Iran weapons sales to the rebels, several officials now contend that the law permitted a wide range of military contacts with the contras. This could include telling private supply organizations where to drop arms, according to one Administration official.

Views of Congressmen

That assertion is sharply contested by members of Congress from both parties, who argue that the law in force in 1986 ruled this out.

"In retrospect, when we shut down the United States involvement in the contra thing, we should have nailed it down," said Senator Dave Durenberger, the Minnesota Republican who just completed a two-year term as chairman of the Intelligence Committee. "I'm sorry about not dotting the i's or crossing the t's, but at some point you trust the Administration to get the message. We said no lethal aid, and we meant it."

Congress first restricted aid to the contras in 1984, after the mining of the

Nicaraguan harbors by Central Intelligence Agency operatives was disclosed. That ban was tightly written to preclude any action by the intelligence agencies that would directly or indirectly support paramilitary operations against Nicaragua.

In 1985, after news reports disclosed the involvement of Lieut. Col. Oliver L. North in organizing military assistance, Robert C. McFarlane, the White House national security adviser, told the House Intelligence Committee that the National Security Council was abiding by the letter and spirit of the laws. Members of the committee, in an unusual session, met with Colonel North at the White House. He told the panel the same thing.

'We're Not Violating Any Laws'

At about the same time, President Reagan insisted, "We're not violating any laws."

In late 1985, Congress approved new laws on aiding the contras with seemingly contradictory provisions.

One portion of the 1985 intelligence authorization act allowed "advice" and intelligence-sharing with the contras. But intelligence agencies were barred from participating "in the planning or execution of military or paramilitary operations in Nicaragua."

Also barred was "participation in logistics activities integral to such operations."

But in a separate law, Congress set up a program to provide \$27 million in aid that included such items as trucks and a medical-evacuation helicopter.

'Any Other Agency or Entity'

Further muddying the waters, the prohibitions in the intelligence statute applied only to expenditures by the C.I.A., the Pentagon, or "any other agency or entity of the United States involved in intelligence activities."

Was the National Security Council covered? Was an official's salary an expenditure? The law did not say, although Congressional aides said it was written specifically to include the National Security Council, which is described in executive orders as being involved in intelligence activities.

A House Democrat involved in drafting the restrictions said they were written this way largely to build a political coalition in support of the measures. He said they were a compromise between a House that at one point leaned against aid of any sort and a Senate that favored military assistance.

'A Very Popular President'

"We were trying to put together a package that could withstand a very popular President, and some of us said when they were written that they weren't tight enough," said Represent-

ative Sam Gejdenson, Democrat of Connecticut.

Alluding to the apparent inconsistency in barring military assistance and allowing intelligence sharing that could be used in battle, he said: "We had to give people some protection. They couldn't go back to their district and just say, 'I want to cut off aid because it's dumb policy.'"

The laws may have worked as compromise on the House floor, but their fine distinctions blurred in the field.

According to one Congressional aide, the restrictions, in sum, meant this:

A C.I.A. officer could tell the rebels what route would be best for a supply plane to follow to avoid being shot down, because this would be intelligence-sharing. In the same conversation, if he told the contras where to drop the weapons, this would be illegal because it would be indirect help with military logistics.

Many questions about what the law permitted have been raised in recent weeks. Contra leaders in Costa Rica, for instance, said recently that C.I.A. officers in that country had helped reorganize rebels there and used supplies delivered by a private network as an inducement to unify the rebels.

But C.I.A. spokesman, without providing details, insists that the agency has complied with all applicable restrictions, in Costa Rica and elsewhere.